



United States Department of Agriculture
Rural Development



NEW JERSEY 1999 ANNUAL REPORT

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Cover: Photos clockwise - South Brunswick Sr. Housing Corp., Kendall Park, NJ; Dorothy Vol. Fire Co., Dorothy, NJ; Marine 20 at Bound Brook, NJ Hurricane Floyd 1999, Fortescue Vol. Fire Co.; City of Cape May, NJ, Desalination Plant.

a word from the state director

Opportunity Abounds!

As we close out 1999 and look to the new millennium, we can truly say that opportunity has and will continue to abound in *The Garden State*.

During 1999, USDA Rural Development employees worked extensively to help develop sustainable communities in rural New Jersey. As U. S. Secretary of Agriculture Dan Glickman noted, "through joining together in partnership with rural communities, for-profit and non-profit organizations, as well as other state and federal agencies, dramatic improvements were made to the quality of life in rural America."

The legacy of this effort can be found throughout the rural communities of New Jersey in improved housing, community facilities, water and sewage systems, and new and expanding businesses. FY 1999 was a challenging and productive year, and we should all be proud of the agency's accomplishments.

Please take a few moments to review the agency's accomplishments in 1999, as outlined in this report. As the new millennium starts, we at USDA Rural Development look forward to partnering for a strong rural America and the opportunities that abound.

ERNEST R. GRUNOW, JR.
State Director
USDA Rural Development



single family housing - Rural Housing Service FY 1999 highlights

Rural Development makes loans and grants to provide rural residents with decent, safe, and sanitary homes. Eligibility is based on adjusted household income, with low interest loans available to low income and very low income applicants. Rural Development housing is modest in size, design, and cost, but meets government observed development standards and agency established thermal requirements.

Home Ownership loans are made to families or individuals who are without adequate housing and who are unable to obtain loans from private lenders at reasonable rates. Loans can be **leveraged** from 20%-80% with private lenders or 100% from the government when private lender loans are not available. **Home Repair loans and grants** are made to make sub-standard houses safe and sanitary and to remove hazards to the health of the occupants, their families and the community.



This senior citizen from Mystic Islands, NJ received a rural housing repair grant in the amount of \$6,200 to repair a sinking foundation.

<u>Program</u>	<u>Number</u>		<u>Amount</u>
Repair Grants	29	\$	131,960
Repair Loans	6	\$	43,300
Homeownership Loans-Direct	103	\$	6,587,790
Homeownership Loans-Guaranteed	315	\$	27,084,310
Homeownership Loans-Credit Sale	3	\$	177,500
Total	456	\$	34,024,860
Leveraged Homeownership Loans	35	\$	992,870

multi-family housing - Rural Housing Service FY 1999 highlights

Rural Rental Housing loans are made to finance apartment style housing or to purchase and rehabilitate existing rental housing. Loans can be made to individuals, public agencies, cooperatives, profit and non-profit corporations. Except for public agencies, applicants must be unable to provide moderate cost rental units with other financing. **Farm Labor Housing loans and grants** finance rental units for domestic farm laborers at an interest rate of 1%. **Rural Housing Preservation Grants** are available to eligible applicants to establish housing rehabilitation projects to assist very low and low income rural residents.



Whispering Waters Apartments, LP is located in Salem, NJ. The project received funding to rehabilitate 276 units. The project is composed of 164 one bedroom and 112 two bedroom units.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Multi-family housing loan	1	\$ 928,394
Farm Labor housing loan	1	\$ 175,000
Housing Preservation Grant	1	\$ 50,000
Migrant & Seasonal Farmworkers Grant	1	\$ 300,000
Total	4	\$1,453,394

In FY 1999, Rural Opportunities, Inc. was awarded a \$300,000 Migrant & Seasonal Farmworkers grant as a result of the Presidential Drought Designation in 1999. Funds will be used to assist farm laborers adversely affected by the drought.

community facilities - Rural Housing Service

FY 1999 highlights

Loan guarantees, direct loans, and grants are available to build or improve essential public use facilities in rural areas or towns of not more than 20,000 people. Funds may be used to finance health care facilities, public safety facilities, and public service facilities. New construction, renovation, rehabilitation, acquisition, major equipment and associated project costs to support the development work are eligible for funding.



Fortescue Volunteer Fire Company receives a community facility grant in the amount of \$36,400 to help with the cost of purchasing Marine 20, a fire rescue boat. Many members of the community contributed to help purchase the boat.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Direct Loans	6	\$1,100,000
Grants	3	\$ 50,000
Total	9	\$1,150,000

FY 1999 found nine rural and small town community fire departments and rescue squads receiving a total of \$1,150,000 in financial assistance in the form of low interest long term loans and grant assistance. Funds were used to buy new ambulances, a fire truck, a rescue boat, build additions to existing facilities and to purchase major equipment such as air-packs, and other essential fire fighting equipment.

water & waste disposal programs - Rural Utilities Service FY 1999 highlights

Direct loans, guarantees and grants are available for community water systems, sewage disposal systems, solid waste disposal systems, and storm drainage systems. Projects may be located in or serve open countryside and rural communities of not more than 10,000 population. Priority is given to communities of 5,500 population or less. Grants may be made to help the most financially needy communities reduce user charges to a reasonable level.



The Borough of Buena MUA receives a ceremonial check as the Rural Utilities Service New Jersey's Water 2000 recipient for FY 1999. Buena MUA received \$1,460,000 in low interest long term loan and grant funds for necessary water and sewer improvements. Water 2000 is the Administration's initiative to improve water quality in rural America by the year 2000.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Direct Loans	6	\$5,686,000
Grants	5	\$3,263,700
Total	11	\$8,949,700

An estimated 11,600 New Jersey families will have safe drinking water and improved water quality as a result of the six (6) water & waste disposal projects funded in FY 1999. Egg Harbor City received a \$220,000 low interest long term loan and \$400,000 in grant funds in celebration of Earth Day 1999 to make improvements and to extend their wastewater collection system. The Borough of Buena MUA received \$392,300 in low interest long term loan and \$1,067,700 in grant funds to construct a new well, extend water lines to those with contaminated well water and to extend the wastewater collection system to homes with failing septic tanks as the New Jersey Water 2000 project for FY 1999.

business programs - Rural Business Cooperative Service FY 1999 highlights

Efforts to strengthen the economy of rural communities are assisted by the **Business & Industry (B&I)** program, **Rural Business Enterprise Grant** program, **Intermediary Relending program**, and **Cooperative Development Services**. These services are generally available to provide financial assistance and technical assistance in towns of up to 50,000 population or less, with a priority going to places of 25,000 or less. New Jersey eligible areas have been identified and a list is available from the Community and Business Programs division in the Mt. Holly, NJ state office.



Baer Aggregates, Inc. located in Pohatcong Township, New Jersey provides construction materials for the road building industry.

<u>Program</u>	<u>Number</u>	<u>Amount</u>
Loan Guarantees	3	\$ 4,400,000
Direct Loans	1	\$ 480,000
Rural Business Enterprise Grant	4	\$ 251,000
Total	8	\$ 5,131,000

In FY 1999, Rural Business programs loans, loan guarantees, and grants created and/or saved 2,032 jobs and provided technical assistance through our Rural Business partners to 252 New Jersey business owners.

planning & community development

cooperative services

strategic plan

Community Development - USDA has given Rural Development a renewed focus and commitment. We are both a financial assistance and a comprehensive rural community development organization. We strive to develop partnerships with state and local groups who share our mission of creating opportunity and empowerment in rural communities. We target our resources to maximize the impact of Rural Development program funding. We seek to leverage resources beyond those of the Federal Government, which can be used instead of, or in conjunction with, Rural Development funds. Rural Development continues to be a customer-driven organization, which focuses on meeting the needs of rural communities.

Technical Assistance - Our vision for Rural Development is to place far greater emphasis on providing non-financial services to complement and augment the existing financial programs. Dedicated staff is implementing this vision by spending sufficient time directly helping communities meet their needs and implement their strategic plans. Technical and advisory assistance is available to communities to prepare strategic plans, environmental assessments, applications for assistance, assess other sources of credit, and to provide training and support for community leadership programs.

Cooperative Development assistance spans a wide range of assistance for people interested in forming new cooperatives. This help can range from an initial feasibility study to the creation and implementation of a business plan. Rural Development staff includes a cooperative development specialist who does everything from identifying potential cooperative functions through the development of bylaws and business plans. The specialist also provides training for cooperative directors. Contact your Rural Development office to obtain assistance.

Strategic Planning - Annual performance goals have been established to provide comprehensive, service-oriented assistance to the residents, communities, and businesses of rural New Jersey. In identifying areas to be targeted for outreach and program delivery, key economic factors were used such as; the most current unemployment rate, poverty rate, and per capita income using the 1990 census. Based on this criteria the following counties and all municipalities within have been targeted for outreach and program delivery: Atlantic, Camden, Cape May, Cumberland, Gloucester, Ocean, Salem, Sussex and Warren. Municipalities from the other counties have also been identified using this criteria. Contact the Planning and Community Development division in the Mt. Holly, NJ state office for this list.

results FY 1999 - single family housing approved

<u>Local Office</u>	<u>Program</u>	<u>Number</u>	<u>Amount</u>
Hackettstown	Repair Grants	3	\$ 13,000
	Repair Loans	1	\$ 3,000
	Homeownership Loans-Direct	13	\$ 986,510
	Homeownership Loans-Guaranteed	59	\$ 6,349,430
	Homeownership Loans-Credit Sale	1	\$ 67,500
	Total	77	\$ 7,419,440
	Leverage Loans	1	\$ 51,450
Mt. Holly	Repair Grants	1	\$ 1,850
	Repair Loans	0	\$ -
	Homeownership Loans-Direct	39	\$ 2,488,250
	Homeownership Loans-Guaranteed	62	\$ 5,538,690
	Homeownership Loans-Credit Sale	1	\$ 60,000
	Total	103	\$ 8,088,790
	Leverage Loans	20	\$ 442,820
Vineland	Repair Grants	22	\$ 96,760
	Repair Loans	3	\$ 17,800
	Homeownership Loans-Direct	10	\$ 597,610
	Homeownership Loans-Guaranteed	52	\$ 3,845,380
	Homeownership Loans-Credit Sale	0	\$ -
	Total	87	\$ 4,557,550
	Leverage Loans	5	\$ 159,050
Toms River	Repair Grants	2	\$ 13,050
	Repair Loans	0	\$ -
	Homeownership Loans-Direct	15	\$ 1,062,400
	Homeownership Loans-Guaranteed	74	\$ 5,954,670
	Homeownership Loans-Credit Sale	1	\$ 50,000
	Total	92	\$ 7,080,120
	Leverage Loans	2	\$ 67,600
Woodstown	Repair Grants	1	\$ 7,300
	Repair Loans	2	\$ 22,500
	Homeownership Loans-Direct	26	\$ 1,453,020
	Homeownership Loans-Guaranteed	68	\$ 5,396,140
	Homeownership Loans-Credit Sale	0	\$ -
	Total	97	\$ 6,878,960
	Leverage Loans	7	\$ 271,950

results FY1999 - multi-family housing projects approved

Applicant: Whispering Waters Apartments
Purpose: Rehabilitation
Amount: \$928,394
Congr. District: 2nd
Funding: Multi-family Housing direct loan

Applicant: County of Gloucester
Purpose: Housing rehabilitation
Amount: \$50,000
Congr. District: 1st & 2nd
Funding: Housing Preservation Grant

Applicant: R.F. DeMarco Nurseries
Purpose: Farm Labor Housing
Amount: \$175,000
Congr. District: 2nd
Funding: Farm Labor Housing Direct loan

Applicant: Rural Opportunities, Inc.
Purpose: Farmworker Disaster Assistance
Amount: \$300,000
Congr. District: 2nd
Funding: Grant



USDA Rural Development State Director Ernest R. Grunow, Jr. (far left), George R. Hyatt, Jr., Rural Housing Program Director (2nd from left), Nancy Kears, Multi-family Housing Coordinator (3rd from left), and Donna O'Brien, Multi-family Housing Servicing Specialist (far right), present Alfred M. Spinelli (3rd from right), Whispering Waters Apartments site manager, Salem, NJ, and wife, Peggy Spinelli (2nd right) with the 1999 Site Manager of the Year Award for New Jersey USDA Multi-family housing projects.

results FY 1999 - community facilities projects approved

Applicant: Absecon VFW Ambulance Squad
Purpose: Purchase 2 rescue vehicles
Amount: \$150,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Montgomery Township VFC #2
Purpose: Site Acquisition & Improvement
Amount: \$175,000
Congr. District: 12th
Funding: Direct loan

Applicant: Mansfield Emergency Medical Services
Purpose: New construction
Amount: \$339,600
Congr. District: 2nd
Funding: Direct loan

Applicant: Island Heights Borough
Purpose: Purchase new fire truck
Amount: \$250,000
Congr. District: 4th
Funding: Direct loan

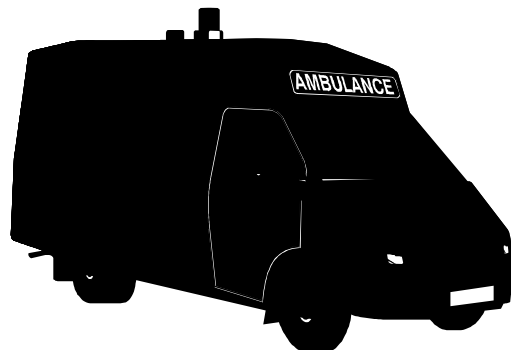
Applicant: City of North Willwood
Purpose: New construction (cost overrun)
Amount: \$85,400
Congr. District: 2nd
Funding: Direct loan

Applicant: Mauricetown Volunteer Fire Co.
Purpose: New construction (cost overrun)
Amount: \$100,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Dorothy Volunteer Fire Co.
Purpose: Air-packs
Amount: \$8,650
Congr. District: 2nd
Funding: Grant

Applicant: Fortescue Volunteer Fire Co.
Purpose: Purchase rescue boat
Amount: \$36,400
Congr. District: 2nd
Funding: Grant

Applicant: Eagleswood Fire Co.
Purpose: Purchase essential equipment
Amount: \$4,950
Congr. District: 3rd
Funding: Grant



results FY 1999 - water & waste disposal projects approved

Applicant: Ogdensburg Borough
Purpose: Water
Amount: \$1,924,000
Congr. District: 5th
Funding: Direct loan

Applicant: Berkeley Twp. MUA
Purpose: Water Phase II
Amount: \$1,150,000
Congr. District: 3rd
Funding: Direct loan

Applicant: Town of Hamonton
Purpose: Sewer
Amount: \$700,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Egg Harbor City
Purpose: Sewer (Earth Day)
Amount: \$220,000
Congr. District: 2nd
Funding: Direct loan

Applicant: Borough of Buena MUA
Purpose: Water & Sewer (Water 2000)
Amount: \$392,300
Congr. District: 2nd
Funding: Direct loan

Applicant: Lavallette Borough
Purpose: Sewer
Amount: \$1,300,000
Congr. District: 3rd
Funding: Direct loan

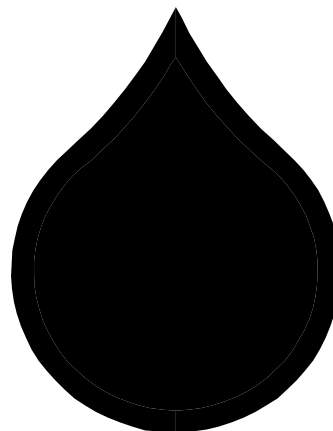
Applicant: Berkeley Twp. MUA
Purpose: Water Phase II
Amount: \$750,000
Congr. District: 3rd
Funding: Grant

Applicant: Town of Hamonton
Purpose: Sewer
Amount: \$746,000
Congr. District: 2nd
Funding: Grant

Applicant: Egg Harbor City
Purpose: Sewer (Earth Day)
Amount: \$400,000
Congr. District: 2nd
Funding: Grant

Applicant: Borough of Buena MUA
Purpose: Water & Sewer (Water 2000)
Amount: \$1,067,700
Congr. District: 2nd
Funding: Grant

Applicant: Lavallette Borough
Purpose: Sewer
Amount: \$300,000
Congr. District: 3rd
Funding: Grant



results FY 1999 - business programs projects approved

Applicant: Atlantic Babbitt Mechanical, Inc.
Purpose: Debt refinancing, machinery & equipment, working capital
Amount: \$1,400,000
Congr. District: 3rd
Funding: Business & Industry loan guarantee

Applicant: Baer Aggregates, Inc.
Purpose: Debt refinancing & real estate acquisition
Amount: \$2,500,000
Congr. District: 5th
Funding: Business & Industry loan guarantee

Applicant: Baer Aggregates, Inc.
Purpose: Real estate acquisition
Amount: \$500,000
Congr. District: 5th
Funding: Business & Industry loan guarantee

Applicant: D&D Properties
Purpose: Real estate acquisition & improvements
Amount: \$480,00
Congr. District: 2nd
Funding: Business & Industry direct loan

Applicant: Atlantic County Economic Development Corp. 2000
Purpose: Technical Assistance
Amount: \$76,000
Congr. District: 2nd
Funding: Rural Business Enterprise Grant

Applicant: Glassboro Economic Development Corporation
Purpose: Technical Assistance
Amount: \$60,000
Congr. District: 2nd
Funding: Rural Business Enterprise Grant

Applicant: City of Pleasantville
Purpose: Technical Assistance
Amount: \$30,000
Congr. District: 2nd
Funding: Rural Business Enterprise Grant

Applicant: County of Salem
Purpose: Construction (County railroad)
Amount: \$85,000
Congr. District: 2nd
Funding: Rural Business Enterprise Grant



Cape May Seashore Line arrives at Cold Spring Harbor Station, Cape May County. The line is back in service thanks to a federal-state partnership between USDA and NJ Transit and a public-private partnership between NJ Transit and the rail operation. NJ Transit used RBEG funds to buy materials installed by Cape May Seashore Line to upgrade the trackbed.

directory of offices - USDA/Rural Development

New Jersey

state office: USDA Rural Development
790 Woodlane Road
Mt. Holly, NJ 08060
TEL 609-265-3600
FAX 609-265-3651
TDD 609-265-3687

Hackettstown Local office: (Covers Essex, Hudson, Hunterdon, Somerset, Union & Warren counties. 5th, 7th, 8th, 9th, 10th, 11th, 12th, & 13th Congressional Districts)

USDA Rural Development
Hackettstown Commerce Park
Building 1
101 Bilby Road
Hackettstown, NJ 07840
TEL 908-852-2576
FAX 908-852-4666

Mt. Holly Local office: (Covers Burlington, Mercer, & Middlesex counties. 1st, 2nd, 3rd, 4th, 6th, & 12th Congressional Districts.)

USDA Rural Development
Tiffany Square, Suite 200
2615 Route 38
Mt. Holly, NJ 08060
TEL 609-267-1639
FAX 609-261-3007

Toms River Local office: (Covers Monmouth & Ocean counties. 3rd, 4th, 6th, & 12th Congressional Districts.)

USDA Rural Development
776J Commons Way
Toms River, NJ 08755
TEL 732-349-1067
FAX 732-505-8572
TDD 732-349-2389

Vineland Local office: (Covers Atlantic, Cape May & Cumberland counties. 2nd Congressional District.)

USDA Rural Development
1317 South Main Road
Building 3, Suite A
Vineland, NJ 08360
TEL 856-205-1225
FAX 856-205-0691

Woodstown Local office: (Covers Camden, Gloucester, & Salem counties. 1st, 2nd, & 3rd Congressional Districts.)

USDA Rural Development
51 Cheney Road
Suite 2
Woodstown, NJ 08098
TEL 856-769-1126
FAX 856-769-0718